

3. Individual Mortgages. In order to more fully secure the payment of the indebtedness which this Mortgage secures, the Company will cause an appropriate individual mortgage to, or a deed of trust or other security instrument for the benefit of Mortgagee covering each Property to be recorded in the state in which such Property is located (collectively the "Individual Mortgages" and individually an "Individual Mortgage"). The Individual Mortgages will (a) conform to the requirements of local law, (b) incorporate by reference the provisions of this Mortgage, and (c) have annexed thereto as an exhibit a copy of this Mortgage. In the event there exist any inconsistencies between the provisions of the Individual Mortgages and this Mortgage, the provisions of this Mortgage shall govern and shall be controlling.

4. Warranties and Representations. In order to induce Mortgagee to purchase the Note, the Company represents and warrants that it has full power, authority and legal right to execute and deliver this Mortgage and the Individual Mortgages and to mortgage the Properties as provided herein and that the Company has good and marketable fee simple title to the Properties, free and clear of all liens and encumbrances except this Mortgage, the Lease and the Permitted Encumbrances. The Individual Mortgages constitute valid first mortgages or first deeds of trust of all of the Properties. The Company at its expense will warrant and defend its title to the Properties and the lien thereon created by this Mortgage and the Individual Mortgages against all claims and demands and will maintain and preserve such lien as long as